

**CWP-7879-2026****-1-****IN THE HIGH COURT OF PUNJAB & HARYANA AT
CHANDIGARH****(131-1)****CWP-7879-2026****Date of decision:- 06.05.2026****ANITA RANI****... PETITIONER****VERSUS****STATE OF HARYANA AND OTHERS****... RESPONDENTS****CORAM: HON'BLE MR. JUSTICE SUVIR SEHGAL****HON'BLE MR. JUSTICE YASHVIR SINGH RATHOR**

Present:- Ms. Veena Hooda, Advocate
for the petitioner.

***********SUVIR SEHGAL, J. (ORAL)**

1. Haryana Shehri Vikas Pradhikaran (HSVP) scheduled an e-auction of residential properties at Sonipat on 28.01.2026. Petitioner deposited the requisite charges and participated in the auction process. She was the sole bidder for 420 sq. yards plot bearing No.2200 P in Sector 23 at Sonipat. Instead of allotment, petitioner was informed by a WhatsApp message, Annexure P-5, that the auction has been cancelled on administrative grounds.
2. Counsel for the petitioner has made a reference to the terms of the e-auction policy dated 19.09.2025, Annexure P-6, to contend that the auction could not have been cancelled without giving any justifiable reason.
3. Advance copy of the petition has been served upon the respondents, who have appeared through Mr. Deepak Bhardwaj, Additional Advocate General, Haryana. State counsel urges that as there were insufficient



CWP-7879-2026

-2-

number of participants, property automatically stands withdrawn from auction as per clause 24 of e-auction policy, Annexure P-6, and the charges deposited by the bidder shall be refunded to her in due course. By referring to Clause 17(a) of policy, Annexure P-6, State counsel has contended that the HSVP has the right to accept or reject any bid on administrative grounds. It is also his argument that a bidder can challenge the decision or rejection, by filing an appeal before the competent authority as specified in Clause 17(b).

4. We heard counsel for the parties and considered their respective submission.

5. Clause 17 of the e-auction policy, Annexure P-6, deserves to be noticed and is reproduced hereunder:-

“Clause 17(a) The competent authority of HSVP reserves the right to accept or reject any bid or withdraw any or all the properties from e-auction or cancel/postpone the e-auction, after observing due diligence and due to Administrative reasons. The same will be intimated to the bidders while conveying the cancellation decision of the authority.

(b) Bidder may file an appeal against the decision of the competent authority within 30 days of such decision, with Ld. ACS (TCP) decision of whom shall be final and bidding on the parties.”

6. No doubt, from the perusal of the above reproduced clause, it is evident that HSVP has a right to cancel an e-auction after observing due diligence and due to administrative reason, but it does not mean that the cancellation can be done without assigning any reason. The intention behind giving of reasons is that the bidder should be in a position to know as to what has prevailed with the authority when it took a decision to cancel the bid, despite the fact that his bid was the highest. Providing a reason for rejection of a bid for a plot is required to ensure transparency and prevent arbitrary decisions, even if the bidding document states that the bids can be rejected



CWP-7879-2026

-3-

without assigning any reason. Auctioning authority must have a valid reason for exercising its discretion and these reasons must be made available in its decision when it is to be assailed in appropriate proceedings. As the auctioning authority has failed to assign any reason for rejection of the bid, its decision deserves to be set aside.

7. In so far as the argument pertaining to availability of an alternate remedy is concerned, the same deserves to be turned down on the simple ground as the impugned decision is in breach of the principles of natural justice. The reason for the rejection is not available, in the absence of which, it cannot be challenged. Appeal, in any case, is maintainable before the Additional Chief Secretary, who is none as, but a higher functionary of the Government. Such an appeal cannot be said to be efficacious, so as to bar the extra ordinary writ jurisdiction of this Court.

8. For the reasons given above, impugned decision, Annexure P-5, is quashed. Liberty is given to the respondents to pass a fresh order assigning reason for rejection of the bid within a period of four months from the date of communication of a copy of this order.

9. Writ petition is disposed of with the above direction.

(SUVIR SEHGAL)
JUDGE

(YASHVIR SINGH RATHOR)
JUDGE

06.05.2026
Kamal

Whether Speaking/Reasoned	Yes
Whether Reportable	Yes